

AMENDED IN SENATE JUNE 22, 2006

AMENDED IN SENATE JUNE 15, 2006

AMENDED IN ASSEMBLY APRIL 26, 2006

AMENDED IN ASSEMBLY APRIL 17, 2006

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2810**

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**Introduced by Assembly Member Liu**

February 24, 2006

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*An act repeal and add Chapter 7 (commencing with Section 94700) of Part 59 and 94831 of the Education Code, relating to private postsecondary education, and making an appropriation therefor. An act to amend Section 94999 of, and to add Section 94999.5 to, the Education Code, relating to private postsecondary education, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2810, as amended, Liu. Private postsecondary education: ~~Private Postsecondary and Vocational Education Reform and Student Consumer Protection Act of 2006.~~

(1) Existing law, known as the Private Postsecondary and Vocational Education Reform Act of 1989, generally sets minimum standards of instructional quality, ethical and business practices, health and safety, and fiscal responsibility for private postsecondary and vocational educational institutions, as defined. The act establishes in the Department of Consumer Affairs the Bureau for Private Postsecondary and Vocational Education, which, among other things,

is required to review and investigate all institutions, programs, and courses of instruction approved under the act.

The existing act establishes the Private Postsecondary and Vocational Education Administration Fund and the continuously appropriated Student Tuition Recovery Fund. The existing act specifies that certain violations of its provisions are subject to civil penalties and that certain willful violations of the act are punishable as crimes. A provision of the act provides for it to become inoperative on July 1, 2007, and provides for its repeal on January 1, 2008.

*This bill would provide for the repeal of the act on January 1, 2009, thus extending the period of the operation of the act. By extending the operation of the provisions of the act that establish crimes, the bill would impose a state-mandated local program.*

*By extending the time during which the continuously appropriated fund is available, the bill would make an appropriation.*

*The bill would establish a working group to review all aspects of existing law relating to, and the administrative operations of, the Bureau for Private Postsecondary and Vocational Education, as specified, including requiring submission of certain reports to the Governor and the Legislature.*

~~This bill would repeal the Private Postsecondary and Vocational Education Reform Act of 1989, and recast, revise, and reenact its provisions as the Private and Vocational Education Reform and Student Consumer Protection Act of 2006. The bill would establish the Board for Private Postsecondary and Vocational Education in the Department of Consumer Affairs, and would provide that the board would succeed to the duties assigned to the bureau under the existing act. The bill would continue the existence of the Private Postsecondary and Vocational Education Administration Fund and the Student Tuition Recovery Fund, and would also provide that certain violations of the new act would be punishable as crimes.~~

~~The bill would provide that the Private Postsecondary and Vocational Education and Student Consumer Protection Act of 2006 would become inoperative on July 1, 2011, and be repealed on January 1, 2012, thereby extending the operation of the regulatory scheme imposed by the former act by 4 years and making an appropriation by also extending by 4 years the existence of the continuously appropriated Student Tuition Recovery Fund.~~

~~By extending the operation of the provisions of the act that establish crimes, the bill would impose a state-mandated local program.~~

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 94999 of the Education Code is  
2     amended to read:

3     94999. ~~This~~ Except for Section 94999.5, this chapter shall  
4     become inoperative on July 1, ~~2007~~ 2008, and, as of January 1,  
5     ~~2008~~ 2009, is repealed, unless a later enacted statute, that  
6     becomes operative on or before January 1, ~~2008~~ 2009, deletes or  
7     extends the dates on which it becomes inoperative and is  
8     repealed.

9     SEC. 2. Section 94999.5 is added to the Education Code, to  
10    read:

11    94999.5. (a) The Private Postsecondary and Vocational  
12    Education Review Working Group is hereby established in state  
13    government.

14    (b) The working group shall review all aspects of existing law  
15    relating to, and the administrative operations of, the Bureau for  
16    Private Postsecondary and Vocational Education.

17    (c) The working group shall utilize the reports, information,  
18    and recommendations provided through the Joint Legislative  
19    Sunset Review process.

20    (d) The working group shall include staff from the appropriate  
21    legislative policy and fiscal committees, as well as  
22    representatives from the Governor's Office, the Attorney  
23    General's Office, the Legislative Analyst's Office, the State  
24    Consumer Services Agency, the Operations Monitor, and the  
25    California Postsecondary Education Commission.

26    (e) The working group shall convene as soon as is practicable.

27    (f) The working group shall conduct stakeholder meetings and  
28    submit a report, with specific recommendations, to the Governor  
29    and the Legislature on the following issues:

1     (1) *The mission, goals, and objectives for the regulatory entity.*

2     (2) *A proposed process for determining the appropriate fee*  
3     *levels to sustain the operations of the regulatory entity.*

4     (3) *The appropriate level of enforcement and the tools and*  
5     *processes necessary to ensure enforcement.*

6     (4) *Appropriate governance structure.*

7     (g) *The working group shall submit its report to the*  
8     *Governor's Office and the appropriate legislative policy and*  
9     *fiscal committees before February 28, 2007.*

10    (h) *It is the intent of the Legislature that the report of the*  
11    *working group include a specific legislative proposal to revise*  
12    *the Private Postsecondary and Vocational Education Reform Act*  
13    *of 1989 to ensure an efficient and effective regulatory process*  
14    *that ensures adequate student protections and promotes quality*  
15    *private postsecondary education in California.*

16    SEC. 3. *No reimbursement is required by this act pursuant to*  
17    *Section 6 of Article XIII B of the California Constitution because*  
18    *the only costs that may be incurred by a local agency or school*  
19    *district will be incurred because this act creates a new crime or*  
20    *infraction, eliminates a crime or infraction, or changes the*  
21    *penalty for a crime or infraction, within the meaning of Section*  
22    *17556 of the Government Code, or changes the definition of a*  
23    *crime within the meaning of Section 6 of Article XIII B of the*  
24    *California Constitution.*

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27     **All matter omitted in this version of the bill**  
28     **appears in the bill as amended in Senate,**  
29     **June 15, 2006 (JR11)**  
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